Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1 (CURRENTLY AMENDED):   A method of counting currency notes, comprising:

feeding a currency note into apparatus by detecting the currency note placed on a hopper using a hopper sensor and then driving a motor and a clutch;

detecting states of the fed currency note and then handling multiple feed/chain feed/jam feed errors based on the detection results;

detecting the fed currency note, recognizing denomination of the currency note by scanning the entire image of the fed currency note thereof, and subsequently extracting, storing and outputting an image of serial number region of the fed currency note from the entire image of the fed currency note for which the denomination is recognized at the recognizing step; and

incrementing a count when denomination of the currency note has been recognized, and discharging the currency note to a stacker and a reject pocket based on the recognition results.

2 (PREVIOUSLY PRESENTED):   The method as set forth in claim 1, wherein the detecting step comprises:

scanning the currency note in lines and storing the scanned images in an internal memory in an image data form;

finding contours of the currency note from the image data stored in the internal memory;

compensating for skew or geometrical distortion of the image data by

2

geometrically correcting and preprocessing the image data;

recognizing denomination of the currency note from the compensated image data using a pattern recognizing method employing template matching in accordance with the inserted direction of the currency note;

setting serial number region and extracting the image of the serial number region for the currency note whose denomination have been recognized using previously known serial number position information with respect to the recognized denomination;

converting the extracted image data into normalized image data of a certain size; and

storing and outputting the image data.

3 (PREVIOUSLY PRESENTED):   The method as set forth in claim 1, wherein, in the detecting step, the image of the serial number region is output, together with text data obtained through character recognition of the image data.

4 (PREVIOUSLY PRESENTED):   The method as set forth in claim 2, further comprising the step of correcting the compensated image data when top and bottom of the currency note is reversed, between the compensating step and the recognizing step.

5 (PREVIOUSLY PRESENTED):   The method as set forth in claim 4, further comprising the step of converting the normalized image data into binary data between the converting step and the storing step, wherein, in the storing step, the binary data are stored and output.

6 (CURRENTLY AMENDED):   An apparatus for counting currency notes, comprising:

an automatic feeder unit for feeding a plurality of currency notes placed on a

hopper one by one;

    a drive unit for driving a motor when a hopper sensor detects the plurality of currency notes;

    a control unit for detecting states of the fed currency notes and handling multiple feed/chain feed/jam errors;

    a sensor unit for detecting the currency notes and scanning an entire image of the currency notes;

    a signal processing unit for recognizing denominations of the currency notes from image data of the entire image of the currency notes input from the sensor unit, subsequently extracting serial number regions of the currency notes from the entire image of the currency notes with respect to each of the recognized denominations, and converting the extracted data into normalized image data of a constant size;

    a transfer unit for transferring the fed currency notes to an outlet;

    a selector unit for selectively discharging the currency notes to a stacker and a reject pocket in accordance with process results of the currency notes; and

    an output unit for outputting stored image data to a printer.

7 (ORIGINAL):   The apparatus as set forth in claim 6, wherein the signal processing unit outputs text data obtained through character recognition of the stored image data, together with the stored image data, through the output unit.

8 (ORIGINAL):   The apparatus as set forth in claim 6, wherein the signal processing unit finds contours of the image data of the currency notes input from the sensor unit, compensates skew or geometrical distortion of the currency notes by calculating information about skews of

the currency notes, checks inserted directions of the currency notes, and recognizes

denominations of the currency notes using a pattern recognizing method employing template

matching.

9 (ORIGINAL):   The apparatus as set forth in claim 6, wherein the signal processing causes

the compensated image data to be upside down when a top and a bottom thereof are reversed.

10 (ORIGINAL):   The apparatus as set forth in claim 6, wherein the signal processing unit

converts the normalized image data into binary data and stores the binary data.